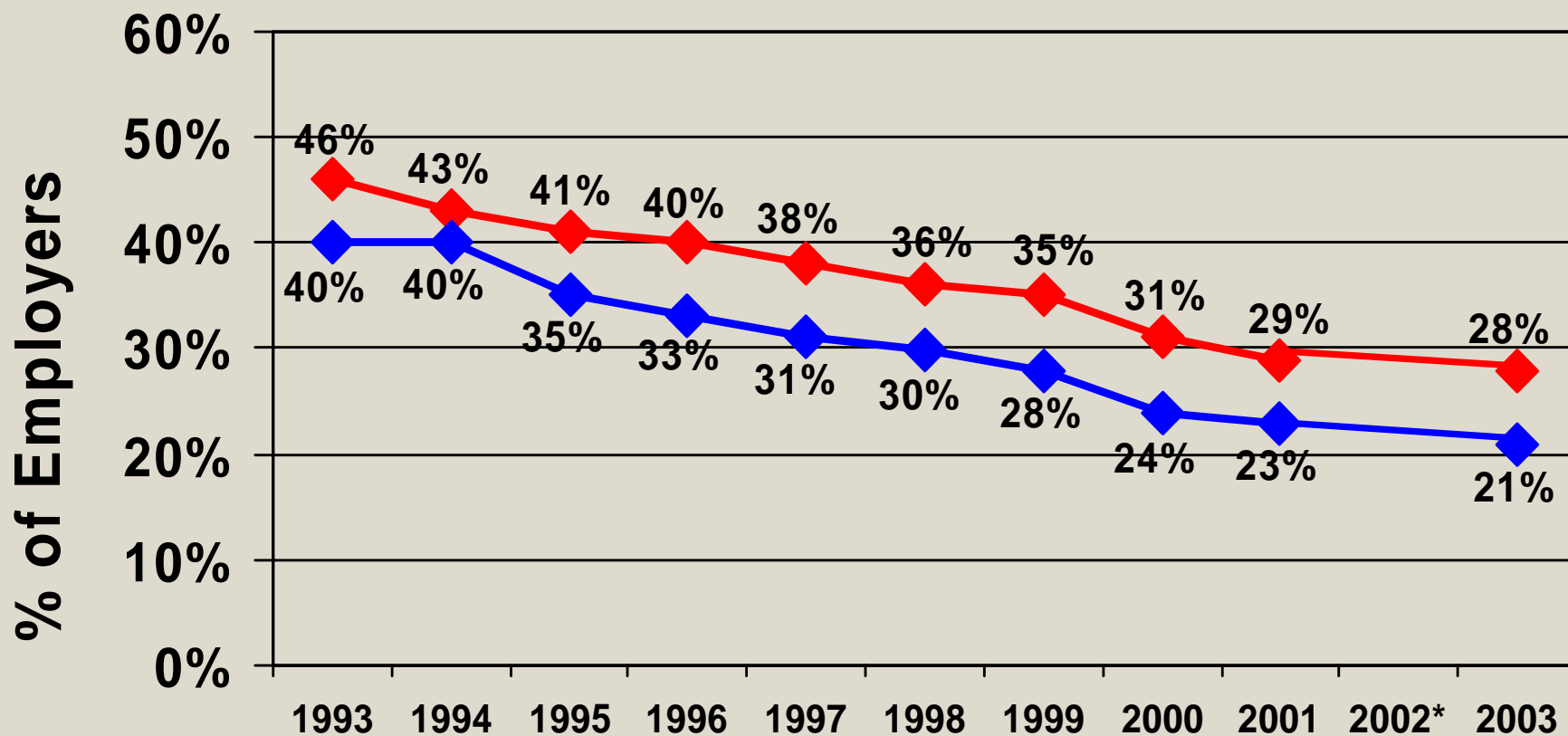


Washington Fire Commissioners Association

Strategy for Negotiating

October 21, 2004

% of Employers Offering Retiree Health Coverage



- ◆— Offer Coverage to Pre-Medicare-eligible Retirees
- ◆— Offer Coverage to Medicare-eligible Retirees

*No data is available for 2002

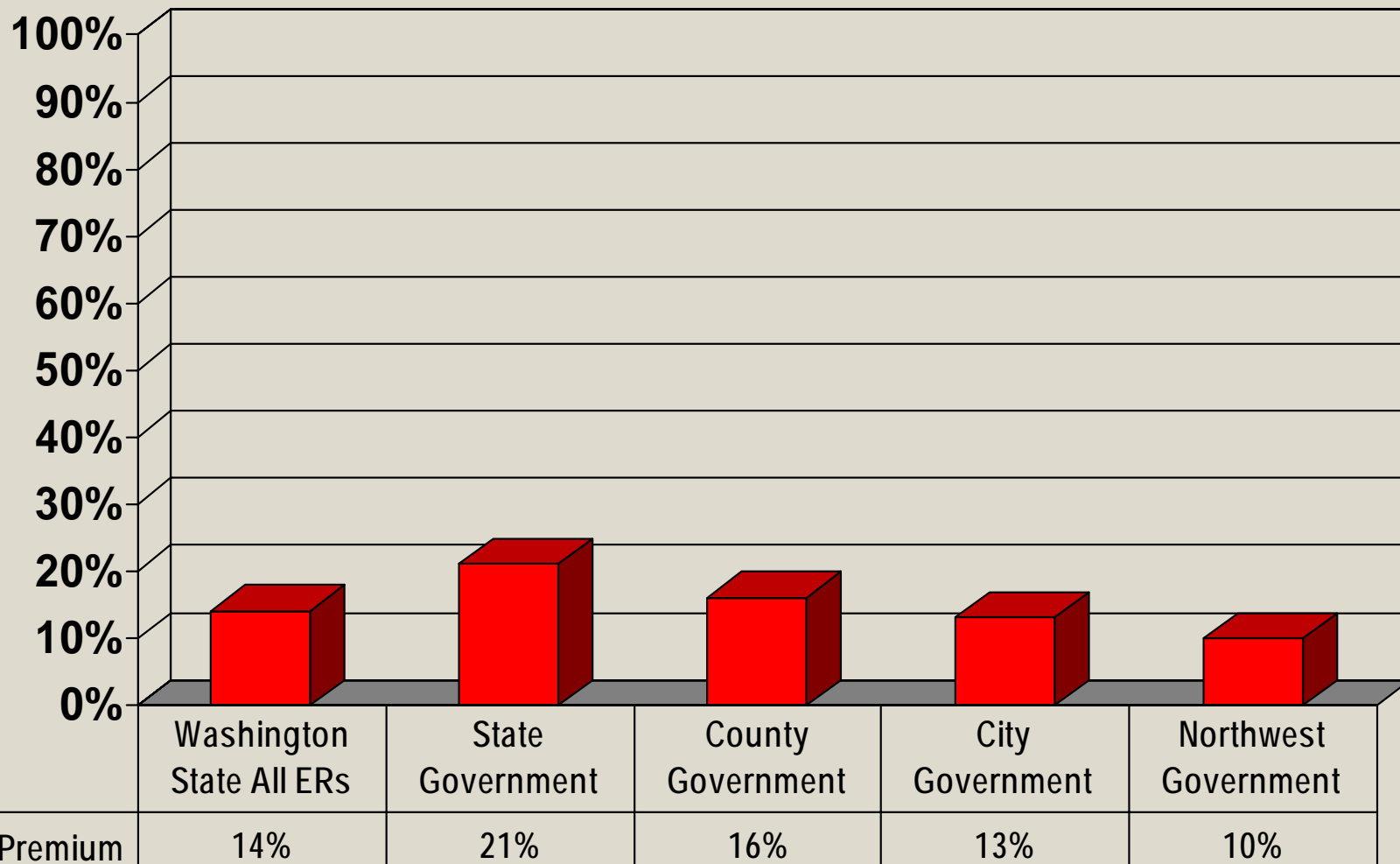
Based on the Mercer 2003 National Survey of Employer-Sponsored Health Plans



WASHINGTON FIRE COMMISSIONERS ASSOCIATION

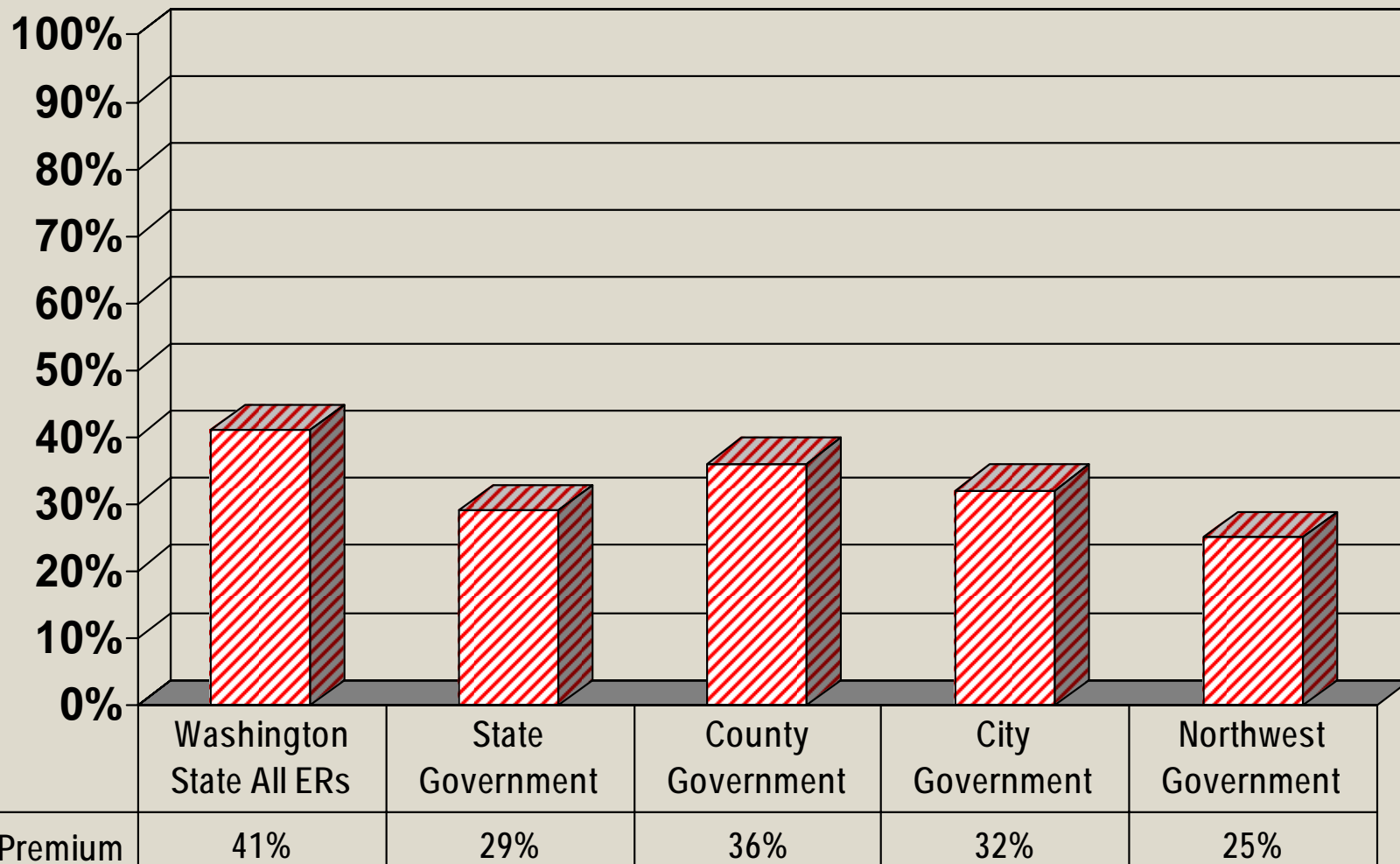
2004 Benefit Comparison	WFCA - PPO	WFCA - PPO COMP 1	WFCA - PPO COMP 2
	<u>In-Network</u>	<u>In-Network</u>	<u>In-Network</u>
Annual Deductible			
Per Individual	\$50 (\$0 for Employee)	\$100	\$300
Per Family	\$150 (\$0 for Employee)	\$300	\$900
Per Family			
Co-insurance for Most Benefits	100%	90%	80%
Out-of-Pocket Maximum			
Per Individual	\$1,000	\$1,000	\$1,000
Per Family	\$3,000	\$3,000	\$3,000
Inpatient Hospital	100%	90%	80%
Emergency Room	100%, after \$50 copay	90%, after \$75 copay	80%,after \$100 copay
Physician	100%	\$10 Copay, then 90%	\$20 Copay, then 80%
Prescription Drugs (Pharmacy)	100% after: Generic: \$7 Copay Brand: \$10 copay	100% after: Generic: \$10 Copay Brand: \$20 copay	100% after: Generic: \$10 Copay Brand: \$25 copay
Prescription Drugs (Mail Order)	100% after: Generic: \$14 Copay Brand: \$20 copay	100% after: Generic: \$14 Copay Brand: \$40 copay	100% after: Generic: \$14 Copay Brand: \$40 copay

2003 PPO Medical Average Employee Contribution For: Employee-Only Coverage



Based on the Mercer 2003 National Survey of Employer-Sponsored Health Plans

2003 PPO Medical Average Employee Contribution For: Family Coverage



Based on the Mercer 2003 National Survey of Employer-Sponsored Health Plans

	Health Flexible Spending Account HFSA	Health Reimbursement Account HRA	Health Savings Account HSA
Establishing Account	Must be Employer-sponsored	Must be Employer-sponsored	Can be Employer-sponsored, or established by Individual
Eligibility	Employees whose employer offers HFSA	Employees whose employer offers HRA	Employees or Individuals who are enrolled under a High Deductible Health Plan (HDHP)
Who Can Contribute?	Employer or Employee	Employer	Employer, or Individual / Employee
Taxation of Contributions	Deductible to Employer Tax Free to Employee	Deductible to Employer Tax Free to Employee	Deductible to Employer Tax Free to Employee
Contribution Limits	No limitations set by law - Employer determines any maximum.	No limitations set by law - Employer determines any maximum.	Yes - the lesser of the HDHP Deductible or amount fixed by law
Qualified Medical Expenses	Medical expenses under IRC 213(d), but not health insurance premiums	Medical expenses under IRC 213(d), including eligible health premium reimbursements if plan permits.	Medical expenses under IRC 213(d), but not health premiums (with limited exceptions).
Carry Forward Unused Balance Year to Year?	No	If Employer permits under Plan (carry forward amount can be limited)	Yes
Must have High Deductible Health Plan?	No	No (although most HRAs are offered in conjunction with a health plan that has a high deductible)	Yes. The HDHP must meet certain requirements such as: <u>Minimum Deductible:</u> \$1,000 (individual) and \$2,000 (family).
Administration	Any entity selected by employer	Any entity selected by employer or insurer	Trustee or Custodian approved by IRS

PEBB

2005 employee monthly rates (effective January 1, 2005)

Employee Contributions				
2005 Medical Plans	EE	EE + Spouse	EE + Child(ren)	Full Family
Community Health Plan of Washington	\$57	\$123	\$99	\$166
Group Health Cooperative	\$20	\$51	\$36	\$66
Group Health Options	\$48	\$107	\$85	\$143
Kaiser Foundation	\$37	\$84	\$65	\$112
PacifiCare of Washington	\$108	\$226	\$189	\$307
Regence BlueShield	\$102	\$214	\$178	\$290
Uniform Medical PPO	\$33	\$76	\$58	\$101
UMP Neighborhood	\$25	\$59	\$33	\$78

PEBB

Annual deductible Medical/surgical services: \$200 per person/\$600 per family (three or more people)

Prescription drug (retail and mail service): \$100 per person/\$300 per family (three or more people)

Annual out-of-pocket maximum Medical/surgical services: \$1,125 per person/\$2,250 per family (does not apply to prescription drugs, non-network provider services, and other expenses as defined in the certificate of coverage)

Office, clinic, and hospital visits 90% reimbursement



WASHINGTON FIRE COMMISSIONERS ASSOCIATION

2005 Eligibility & Employer Contribution Levels

Fire District : _____

Notes for completing this form:

1. District contributions for an employee's coverage under Medical and Dental must be noted below (either as a dollar amount or as a percentage of premium). District contributions can be any amount (including \$0); however, all eligible employees must be enrolled (i.e. the employee cannot waive coverage).
2. District contributions for dependents' coverage under Medical and Dental must be noted below (either as a dollar amount or as a percentage of premium). District contributions can be any amount (including \$0).
3. District contributions for an employee's coverage under Basic Life and Nurseline must be 100% of the premium.

All Employees:

Eligibility: All employees working ____ hours per week (must be at least 20 hours / week)

Employer Contribution:

Medical

Dental

For Employees:

_____ for employee

_____ for employee

For Dependents:

_____ for dependents

_____ for dependents

Print Name

Print Title

Print Date

Signature

MAIL COMPLETED FORM TO: Trusteed Plans, PO Box 1894, Tacoma, WA 98401-1894



WASHINGTON FIRE COMMISSIONERS ASSOCIATION

EMPLOYER APPLICATION 2005
EMPLOYEE BENEFIT PROGRAM

PLEASE CHECK APPROPRIATE BOX: ☐ New District ☐ Change in Program ☐ Add Additional Line of Coverage
☐ District Name Change ☐ Address Change ☐ Eligibility Change
☐ Renewal January 1 ☐ Other _____

CONTINUATION OF APPLICATION

To Become a Participating Member of the Washington Fire Commissioners Association Employee Benefit Program

The undersigned applicant hereby applies for membership in the Washington Fire Commissioners Association Employee Benefit Program and hereby adopts such Program in accordance with the terms, conditions, and representations set forth herein and in the insurance or service contracts. Trusteed Plans Service Corporation, herein called "Administrator" is hereby requested to approve this application for participation and to request the carrier or carriers to effect desired coverage, subject to group underwriting rules of the carrier, and subject to any required underwriting for employees, including dependents under individual applications for insurance or service which may be submitted by or on behalf of the applicant, its owners, officers and employees, including their dependents.

Applicant hereby represents, covenants, warrants, and agrees as follows:

- Applicant is a member in good standing of the Washington Fire Commissioners Association. Applicant agrees that at such a time as the preceding statement is no longer true, participation in the program shall automatically terminate without notice, as shall all insurance or other coverage provided through the plans of the Program for the Applicant, its employees and its employees' dependents.
- Any rights of the Applicant, its employees, or employee's dependents, and the beneficiaries of any of them or any person claiming by or through such person to any insurance or service benefits shall be subject to the terms and conditions, including any future modification thereof, of the standard operating procedures of the Administrator, and of any policy or service contract issues by a carrier.
- Applicant shall pay all premiums, contributions, and administrative fees billed to it by the Administrator of its agent on or before the due date.
- Any district enrolling in this Washington Fire Commissioners Association plan accepts that a portion of the plan is self-funded and subject to audit by the Department of General Administration, Division of Risk Management.
- Applicant adopts the Washington Fire Commissioners Association Program and appoints Trusteed Plans Service Corporation of Tacoma, WA as Administrator. The Administrator shall have total and exclusive administrative control over the Program. The Administrator may directly bill and collect premiums, contributions, and fees from members. The Administrator shall provide administrative, accounting, and other services as required for the Program. The Administrator is appointed the agent of the Washington Fire Commissioners Association and shall be held harmless by it for any Liability arising out of the performance of its duties, except liability arising out of its own negligence or willful misconduct. It is understood that all computer hardware and software, programs, are the exclusive property of Trusteed Plans. The data, and other records are the sole and exclusive property of The Washington Fire Commissioners Association.
- No coverage shall be in force until this membership application and the individual applications for coverage have been approved, notice of the effective date of each individual's coverage has been furnished to them by the Administrator in writing, and the full premium has been received by the Administrator or Carrier.
- The Administrator, in its sole discretion, for what it deems the overall benefit of the Program and a majority of the participating members, may accept, deny, and terminate membership in the Program.
- Applicant will at its own expense provide any and all information and documentation that may be required for the purposes of providing information to comply with a carrier's underwriting rules or the terms of any contract.
- Applicant agrees that this firm will submit an individual application for each person as he/she becomes eligible as a member of a covered classification, and the amount of coverage once in force on an insured individual will not change until written application for increase has been made and approved by the Carrier and the proper premium has been paid to the Administrator.
- Applicant understands that its failure, or the failure on the part of any member firm, to make proper payments on or before the due date could jeopardize the plan for all covered individuals as there would not be sufficient funds to submit the premium to the carrier. Consequently, Applicant understands that coverage will cease retroactively on the due date for all individuals of this firm and their dependents if payment is not in the hands of the Administrator or its representatives **ON OR BEFORE THE TENTH OF THE MONTH IN WHICH IT IS DUE**. In order to eliminate any possibility of lapse of coverage due to inadvertent failure to make timely payment, the Administrator will accept two monthly payments initially and bill one month in advance in the future upon your checking "Yes" below.
☐ Yes, we desire to make two monthly payments initially and be billed one month in advance in the future.
(If you choose this option, your district would make a two month initial premium payment. This will ensure that your plan eligibility is always up-to-date and will reduce on-line eligibility delays for your employees, since eligibility is based on payment.)
☐ No, we do not desire to make two monthly payments initially.
- Applicant certifies that it has established policies and procedures to secure protected health information (PHI), in accordance with the HIPAA privacy rule, codified at 45 C.R.F. Parts 160 and 164 as it pertains to the Washington Fire Commissioners Association plan.

AUTHORIZED SIGNATURE _____

DATE _____

PRINT COMMISSIONER NAME AND TITLE _____

FOR OFFICE USE ONLY

FIRM # _____ EFF. DATE _____

RISK LEVEL(s) _____ AE/AR _____

MAIL COMPLETED FORM TO: Trusteed Plans,
PO Box 1894, Tacoma, WA 98401-1894

Application Continued on Reverse Side

MAIL COMPLETED AND SIGNED FORM TO: Trusteed Plans, PO Box 1894, Tacoma, WA 98401-1894

I. GROUP INFORMATION			
Fire District _____		County _____	
Street Address _____	City _____	State _____	ZIP _____
P.O. Box _____	City _____	State _____	ZIP _____
Chief (Name) _____			
Group Contact _____		Phone _____	
(Name)	(Title)	FAX	

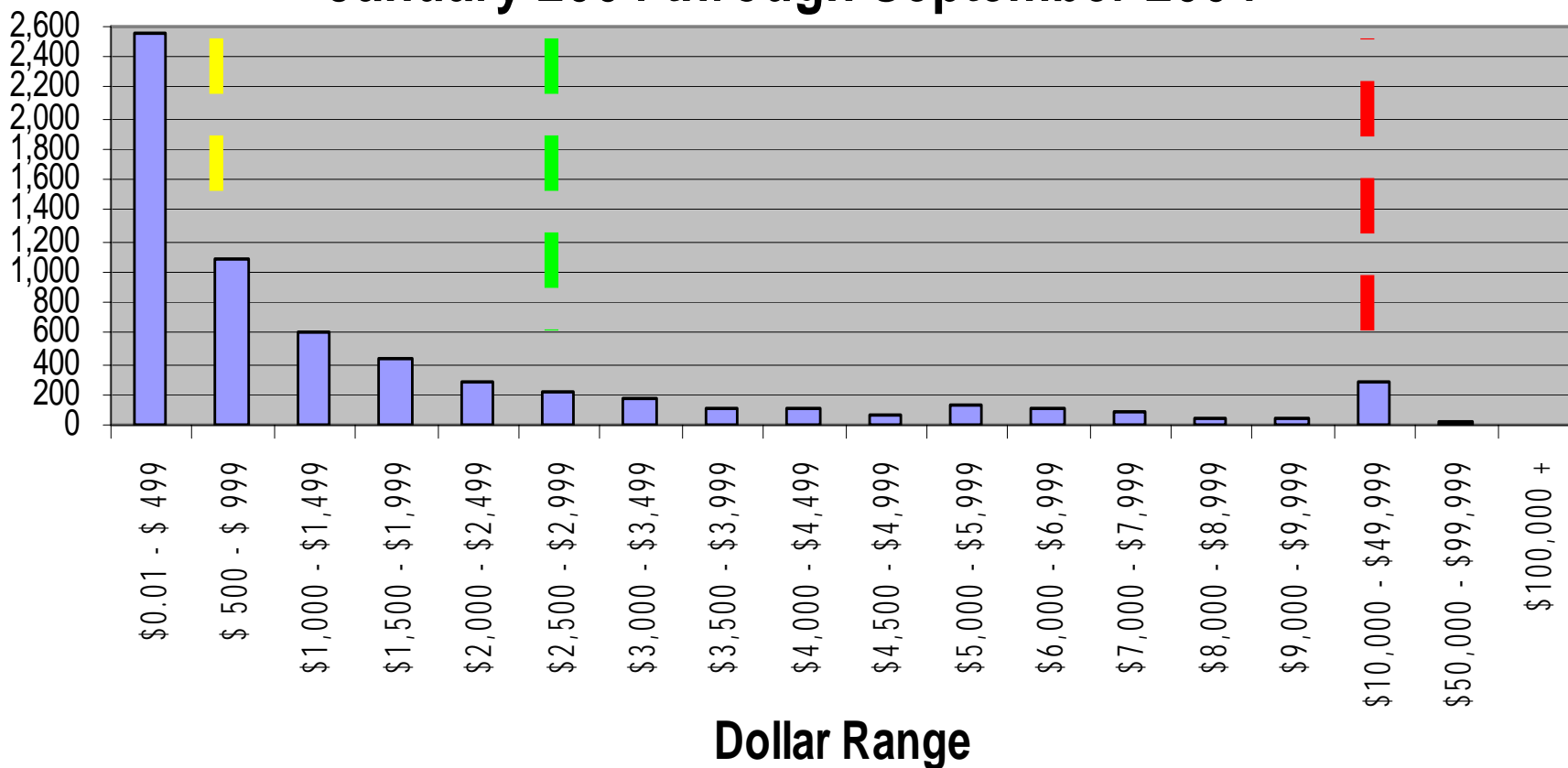
II. ELIGIBILITY	III. MEDICAL/DENTAL BENEFIT SECTION
1. Total number of employees on your payroll: _____ (Include full time, union, part-time, temporary people, LEOFF I employees. Do not include volunteers, retirees, or commissioners)	1. <u>MEDICAL</u> <input type="checkbox"/> Yes <input type="checkbox"/> No Check all the carrier(s) and the plans you wish to have available to eligible people in your district: <input type="checkbox"/> Traditional Plan (LEOFF I ONLY) <input type="checkbox"/> PPO Combo Plan (Active LEOFF I only) <input type="checkbox"/> COMP PPO 1 Combo Plan (Active LEOFF I only) <input type="checkbox"/> COMP PPO 2 Combo Plan (Active LEOFF I only) <input type="checkbox"/> PPO Plan <input type="checkbox"/> COMP PPO 1 Plan <input type="checkbox"/> COMP PPO 2 Plan
2. a. Total number of LEOFF I employees in above figure: _____ b. Total number of LEOFF II employees in above figure: _____ c. Total number of PERS employees in the above figure: _____	<input type="checkbox"/> Group Health Cooperative of Puget Sound - HMO Plan <input type="checkbox"/> Kaiser Permanente - HMO Plan
3. Total number of LEOFF I Retirees to be covered: _____	2. <u>DENTAL PLAN</u> (WDS-Washington Dental Service) <input type="checkbox"/> Yes <input type="checkbox"/> No
4. Total number of Non-LEOFF I Retirees to be covered: _____	<u>Choose only 1 Dental plan under which all eligible people in your district will be enrolled:</u> <input type="checkbox"/> TRADITIONAL DENTAL With Orthodontia (ortho for children only) <input type="checkbox"/> TRADITIONAL DENTAL Without Orthodontia <input type="checkbox"/> PPO DENTAL With Orthodontia (ortho for children only) <input type="checkbox"/> PPO DENTAL Without Orthodontia
5. Are Commissioners to be covered? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Total number of Commissioners to be covered: _____	
6. Are Former Commissioners to be covered? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, Total number of Former Commissioners to be covered: _____	
7. TOTAL NUMBER OF ELIGIBLE ENROLLEES _____ (2a+2b+2c+3+4+5+6)	

IV. OTHER AVAILABLE BENEFITS (if district enrolls in Medical and/or Dental)	
Note that Supplemental Life is only available to employees enrolled in either the Core Life and/or the Basic Life Plan	
1. <u>24-HOUR NURSELINE</u> <input type="checkbox"/> Yes <input type="checkbox"/> No Include Volunteers? <input type="checkbox"/> Yes <input type="checkbox"/> No Include Commissioners? <input type="checkbox"/> Yes <input type="checkbox"/> No	3. <u>BASIC LIFE (AD&D) for employees</u> <input type="checkbox"/> Yes <input type="checkbox"/> No Choose employee amount: <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 <input type="checkbox"/> \$25,000 <input type="checkbox"/> \$50,000 Include Volunteers? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000 Include Commissioners? <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> \$5,000 <input type="checkbox"/> \$10,000
2. <u>CORE LIFE AND AD&D PLAN:</u> \$2,000 per employee—automatic for employees enrolling in the Traditional, PPO, COMP PPO 1, COMP PPO 2, or Combo medical plans.	4. <u>SUPPLEMENTAL LIFE PLAN</u> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Payroll Deduction <input type="checkbox"/> Direct Bill Employee (added cost)

Washington Fire Commissioners Association

Self-Funded Medical, Rx, & Vision Program

Number of Claimants January 2004 through September 2004



Washington Fire Commissioners Association

Self-Funded Medical, Rx, & Vision Program

Total Paid Claims January 2004 through September 2004

